



Tourism Impact in South Central Idaho



Tourism in South Central Idaho

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BACKGROUND

The average traveler who would travel Interstate 84 in South Central Idaho might think that he or she is driving through a nondescript area consisting of farmland and high desert sagebrush. The traveler would see mountains in the distance on both sides of the freeway and might think little more about it. He or she would not know that they are driving through one of the most fascinating and diverse areas in the United States with unbounded scenic beauty and recreational opportunities. South Central Idaho has unique geology and archaeology unmatched just about anywhere. South Central Idaho, which consists of Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka, and Twin Falls Counties, is home to many state parks, national monuments, and reserves. Elmore County (which is adjacent to Gooding County and is often included in South Central Idaho) has two state parks.

The incredible diversity of South Central Idaho is extremely unique. In Blaine County, to the north, is the world famous Sun Valley ski resort that is a highly sought destination location in both winter and summer months. The Sun Valley area boasts beautiful mountain scenery and some of the best skiing conditions in the world. There are also many annual winter and summer events such as Western Days and the Trailing of the Sheep in warm months and the beautiful torchlight procession on Christmas Eve. Every year many Olympic medalists figure skate at the Sun Valley resort's outdoor ice rink. For the outdoor enthusiast there is fishing, hiking, hunting, cycling, and horseback riding.

South Central Idaho is the gateway to the Great Rift, a geological phenomenon that consists of a volcanic lava flow, over sixty miles long, which culminates in the Craters of the Moon National Monument near Carey. Other geologic attractions are the City of Rocks State Park in Cassia County with magnificent rock formations that provide world-class rock climbing challenges. For history buffs the Three Island Crossing State Park is where settlers on the Oregon Trail had to decide whether to ford the treacherous Snake River or take a dry and rocky route to Oregon. Parts of the Oregon Trail still can be seen in many parts of South Central Idaho. Farther west in Elmore County is the amazing Sahara-like Bruneau Sand Dunes State Park, which has the highest single-structured sand dune in North America. For archaeologists and paleontologists, the Hagerman Horse Fossil Bed National Monument provides some of the best horse fossil remains in North America. Throughout South Central Idaho, the Snake River provides many exciting recreational opportunities. In Burley, the annual Boat Regatta offers world-class boat racing. Near Twin Falls, Shoshone Falls rises higher than Niagara Falls, and in certain times of the year when water is plentiful, the falls are awe-inspiring in their power and majesty. Many river tours near Twin Falls take boating enthusiasts to the base of the falls and under the majestic Perrine Bridge that spans the Snake River at the City of Twin Falls. Many times during the year BASE (Buildings, Antenna, Spans, Edifice) jumpers test their nerve by jumping off the Perrine Bridge into the mighty Snake River Canyon where the Snake River flows more than 400 feet below.

And so the traveler who thinks they are passing through a nondescript high desert land on the freeway need only to stop and spend some time in an area that has an enchanting bit of excitement for everyone no matter what their interests. History to hunting, archaeology to geology, young or old, South Central Idaho is a land of surprises with memories to last a lifetime.

ECONOMIC IMPACT OF TOURISM ON IDAHO

Tourism has a tremendous effect on the general Idaho economy and accounts for a significant percentage of the overall state income. It is difficult to determine the actual dollar amount tourism generates because some businesses, such as restaurants, food stores, and convenience stores, are involved with tourism, but also serve other sectors of the economy. However, in the 1999-2000 12-month period, it is estimated that as much as \$2.08 billion dollars were spent on tourism activities in Idaho. Also during that time period, travel spending by pleasure and business motor vehicle travelers directly generated 42,453 full- and part-time jobs with a payroll of \$562 million. Many of these jobs were seasonal, but some were permanent jobs. (*Source: Idaho Department of Commerce*) Each payroll dollar is multiplied in the economy as the dollars are spent by workers and businesses for various personal and business needs. A conservative money multiplier for Idaho is 2.2. Therefore, the overall economic impact from payroll dollars alone during that time period was \$1.24 billion. Region 3, which is Southwestern Idaho including Boise, had the greatest direct job creation in 1999-2000 with 12,460 jobs generated by tourism.

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The state and local tax revenue generated through tourism income is often overlooked. Sales tax provides significant income to the Idaho state government, as well as taxes on personal and corporate income receipts. Motor fuel taxes are also important to state revenue. Local Option Taxes (LOT's) charged on hotel and motel accommodations generate important income for municipalities. Estimates indicate that over \$150 million in tax revenues were generated in 1999-2000 from tourism-related activities. (*Source: Idaho Department of Commerce*) Tourism overall is a huge contributor to state revenue and tourism-related businesses, and it is vital that Idaho continue to be aggressive in marketing the state's magnificent opportunities for tourists.

CHARACTERISTICS OF IDAHO TOURISM

There are many areas of Idaho that are tourism destination areas. The areas would include such tourist attractions as West Yellowstone and Henry's Lake in Regions 5 and 6, Sun Valley in Region 4, Boise and McCall in Region 5, Lewiston-Moscow-Orofino in Region 2, and Coeur d'Alene and Sandpoint in Region 1. However, many areas of Idaho rely on motor vehicle traffic. The following are the percentage breakdowns on why people visit Idaho:

Reason	Percentage
Visiting friends/relatives	42%
Event Attendance	5%
Recreation	15%
Visit Attractions or natural areas	29%
Other	9%

(*Source: Idaho Department of Commerce*)

The activities that Idaho tourists undertake while in the state are as follows:

Activity	Percentage
Outdoor Recreation	43%
Shopping	33%
Sightseeing	29%
Dining	28%
Friends/Relatives	16%
Cultural	16%
Other Recreation	16%
Tours	9%
Relaxation	6%
Education	6%
Events	2%

(*Source: Idaho Department of Commerce*)

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Many businesses benefit from tourism and create jobs as a direct impact. These business sectors include:

Accommodations
Eating, Drinking
Food Stores
Recreation
Retail Sales
Ground Transportation
Air Transportation

(Source: Idaho Department of Commerce)

ECONOMIC IMPACT OF SOUTH CENTRAL IDAHO TOURISM

Although South Central Idaho (Region 4) does not have a large number of destination locations, tourism has a huge impact on the local economy. During the time period of 1999-2000, Region 4 had significant direct traveler spending, and the number of travelers was estimated at 1,057,772. Sales by types of businesses were estimated as follows:

Business	Sales in Dollars
Motel/Hotel, Cabin, Camping	\$18,008,000
Restaurants and Bars	\$27,298,000
Admissions & Fees	\$13,573,000
Retail Trade	\$29,911,000
Wholesale Trade	\$ 4,404,000
TOTAL	\$92,994,000

(Source: "Economic Impact of Travel Spending in Idaho", University of Idaho, September 2002)

This is a direct impact on the economy of nearly \$100 million annually, which is a large portion of the overall economy.

The Idaho Department of Labor tracks employment numbers for occupations related to the tourism industry. In 2002, average employment in all sectors relating to tourism was 7,298 workers. The breakdown of these workers by occupation is as follows:

Occupation	Number of Workers
Performing Arts	96
Museums, Historical Sites	29
Amusement, Gambling	681
Accommodations	1,707
Food Services, Drinking	4,786
TOTAL	7,298

(Source: Idaho Department of Labor, ES-202 report)

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For purposes of this study, retail jobs were not included. Since the focus is on South Central Idaho tourism, only occupations that are directly related to tourism are used for statistical significance and conservative accuracy. The average wage for tourism jobs in South Central Idaho is \$8.50 based on the 2002 "Occupation Wage Survey" produced by the Idaho Department of Labor and local office surveys conducted by the department's regional labor economist. Using 7,298 workers, the annualized estimated direct payroll impact is **\$129,028,640**. Adding the direct spending figure and payroll number, the direct impact to the Region 4 economy is **\$222,022,640**. Using the accepted money multiplier of 2.2 for the region, the dollar impact to the economy is as follows:

Variable	Dollar Amount
Direct Spending	\$ 92,994,000
Payroll Impact	\$129,028,640
Direct Impact Subtotal	\$222,022,640
Money Multiplier 2.2 total	\$448,449,808

This is a substantial annual impact upon the area. It is also an important revenue source that must be sustained to maintain stability, but also enhanced to create growth of the Region 4 economy.

CHARACTERISTICS OF SOUTH CENTRAL IDAHO TOURISM

As mentioned before, South Central Idaho offers a great deal of diversity in its attractions. Sun Valley is a destination location and receives a good many tourists by air transportation. There are special flights through Horizon Airlines from California to the Hailey airport. Sun Valley also receives a great deal of motor vehicle traffic from the Interstate 84 exit in Twin Falls north on U.S. Highway 93 (a.k.a. Scenic Highway 75). Many Boise visitors exit the freeway in Mountain Home and travel through Fairfield to travel to Sun Valley. The Hagerman Valley receives significant motor vehicle traffic from either Twin Falls or from the Bliss exit on the freeway from the Malad Gorge State Park. The Mini-Cassia area offers the best access from Interstate 84 since the major city, Burley, is located by the appropriate exits.

Some demographics related to reasons for travel in South Central Idaho, provided in year-round averages, follows:

Reasons for Travel	Percentages	AVG Group Size
Business	7.0%	1
Pleasure	43.7%	2
Business & Pleasure	50.7%	2
Daily Affairs	49.3%	1

(Source: University of Idaho Travel Study)

Of those business and pleasure travelers who were passing through the region on Interstate 84, over 50 percent stopped at Twin Falls, and an average of 10 percent stopped in Burley. Most tourists in the lower six counties of Region 4 travel in the late spring or summer months. Of course, Sun Valley is busiest in the snow season of November-March. There are many activities in Blaine County during the summer that have smoothed out travel patterns there. The Hagerman area has strong tourism in spring and summer because much of its tourism is tied to boating and Snake River activities. The Mini-Cassia area hosts a boat regatta every June attracting many racers from all over the world. The City of Rocks draws rock-climbing enthusiasts, mostly in the warmer months. Some of the cities, primarily Twin Falls, will be celebrating their centennials in the next couple of years and these celebrations could bring several tourists to the area.

CHARACTERISTICS OF TOURISM-RELATED WORKFORCE

There are many different occupations and wage ranges within the businesses that relate to tourism. Typically, these jobs are in the *Services* sector and are some of the fastest growing in the region. Service sector jobs typically have the lowest wages among occupations, averaging \$6.00-\$7.00 per hour for typical service occupations. When management and other administrative jobs are factored in, the average tourism wage is \$8.50 per hour or \$1.39 per hour less than the region average of \$9.89 per hour for all occupations. The Blaine County area has a serious shortage in service sector workers due to extremely high cost of living and lack of affordable housing. The shortage of domestic applicants is so acute that several hundred foreign workers in the hospitality industry had to be hired under the H-2B program. Many tourism-related business people are self-employed. This is particularly true among some river rafters and outdoor guides. The following is a list of typical work sectors and a sample of individual occupations in each area:

Arts & Entertainment

Paid performers
Theater managers
Lighting specialists
Custodial

Museums, Historical Sites

Cashiers
Tour guides
Historians
Custodial

Amusement, Gambling

Movie cashiers
Snack box workers
Projectionists
Management
Ticket takers
Custodial

Accommodations

Hotel/motel clerks
Concierge
Housekeeping
Accounting/bookkeeping
Human resources
Marketers
Caterers
Catering assistants
Custodial
Management

Eating and Drinking

Waiters/Waitresses
Host/Hostesses
Cashiers
Bussers
Short order cooks
Cooks
Chefs
Sous chefs
Pastry chefs
Bartenders

Miscellaneous

Rafters
Boat operators
Tour assistants
Outdoor guides
Re-enactors, etc.

(Source: Idaho Department of Labor)

SUMMARY

Tourism is obviously an essential sector of both the Idaho economy in general and South Central Idaho in particular. The more than 7,000 jobs created by this sector represents close to 10 percent of the *Civilian Labor Force* in Region 4. If *Retail Sales* numbers were also factored in, well over 10 percent of the workforce would be shown to represent tourism. In Region 4, the influence of tourism impacts the economy with nearly one-half billion dollars generated annually. Tax revenues can be estimated at tens of millions of dollars for both state government and local governments and municipalities.

It will continue to be very important to aggressively market Region 4 in order to sustain the present economical benefits as well as foster growth. Many opportunities exist that can be inferred by the data presented. For example, group sizes for business and pleasure trips were reported as one and two persons, respectively. This shows there is opportunity to attract larger groups and families to the area. Business conventions are an area that can be improved upon, but would require cooperation locally among hotels and motels. Perhaps improved signage on Interstate 84 could inform travelers of the many attractions of the area. Employees of local tourism-related business could be educated about the attractions in their region so they could refer customers to other tourism-related attractions and businesses. For example, museum workers could refer customers to a local state park or national monuments. Eating or drinking establishment could educate employees about local attractions. It is also important that employees maintain a positive attitude about their area, and that can be accomplished through training. Areas of the region that are experiencing hard economic times, such as the Mini-Cassia area, could realize significant benefits from growth in tourism. This would both generate dollars for the economy and new jobs. Local leaders must be informed and shown the tremendous dollar impact tourism has, and this might encourage them to make growth in tourism a community priority rather than an afterthought. Strong team building with businesses and travel agents could produce multi-faceted Region 4 tour packages. Recent surveys have shown that Idahoans rank first in the United States in taking advantage of outdoor recreation. The potential for growth in Region 4 is strong. Local residents could be persuaded to rediscover their own home territory. With a heightened worry about terrorism, Americans are considering vacations closer to home and travel that involves their own automobiles rather than flying. Region 4 is a motorist's treasure trove that is largely undiscovered. With local cooperation and teamwork, Region 4 could benefit economically from its own potential beyond anyone's wildest dreams.

APPENDIX

Regional Wage/Employment Table By Business Sector, 2001-2002.....	11
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**Idaho Department of Commerce Web Pages
of South Central Idaho Attractions**

http://www.visitid.org/Regions/region_4.html
http://www.visitid.org/Regions/r4_about.html

South Central Idaho Profiles, by County

<http://www.labor.state.id.us/lmi/pubs/BlaineProfile.pdf>
<http://www.labor.state.id.us/lmi/pubs/CamasProfile.pdf>
<http://www.labor.state.id.us/lmi/pubs/CassiaProfile.pdf>
<http://www.labor.state.id.us/lmi/pubs/GoodingProfile.pdf>
<http://www.labor.state.id.us/lmi/pubs/JeromeProfile.pdf>
<http://www.labor.state.id.us/lmi/pubs/LincolnProfile.pdf>
<http://www.labor.state.id.us/lmi/pubs/MinidokaProfile.pdf>

**Idaho Parks and Recreation Web Pages
of South Central Idaho Attractions**

http://www.idahoparks.org/parks/Box_canyon.html
<http://www.idahoparks.org/parks/bruneaudunes.html>
<http://www.idahoparks.org/parks/city-rocks.html>
<http://www.idahoparks.org/parks/walcott.html>
<http://www.idahoparks.org/parks/niagarasprings.html>
<http://www.idahoparks.org/parks/threeisland.html>

Appendix Table 1: Average Employment, Average Tax Rate, Average Wage, Employer Count, Employers, Employment Growth—South Central Idaho, 2001-2002

Region/County	Business Sector	Average Employment		Average Tax Rate		Average Wage		Employer Count		Employers		Employment Growth	
		2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
South Central	71 - Arts, Entertainment, and Recreation	805	867	1.3	1.3	25,682	21,435	1,323	1,002	110	111	5	8
South Central	711 Performing Arts, Spectator Sports, and Related Industries	96	110	1.1	1.1	128,356	104,693	345	264	29	29	1	15
South Central	712 Museums, Historical Sites, and Similar Institutions	29	26	0.5	0.3	18,461	12,398	93	81	8	9	39	-8
South Central	713 Amusement, Gambling, and Recreation Industries	681	731	1.5	1.5	11,586	9,284	885	657	74	73	4	7
South Central	72 - Accommodation and Food Services	6,493	6,587	1.1	1.1	11,258	8,526	4,812	3,612	401	401		1
South Central	721 Accommodation	1,707	1,637	1.0	0.9	15,823	12,200	657	459	55	51	-2	-4
South Central	722 Food Services and Drinking Places	4,786	4,949	1.1	1.1	9,630	7,311	4,155	3,153	346	350	1	3
Blaine County	71 - Arts, Entertainment, and Recreation	243	305	1.1	1.3	61,636	47,141	495	375	41	42	1	25
Blaine County	711 Performing Arts, Spectator Sports, and Related Industries	52	52	1.1	1.1	225,018	214,407	177	135	15	15	5	-1
Blaine County	712 Museums, Historical Sites, and Similar Institutions	3	2	0.9	0.7	7,541	8,039	42	27	4	3	-13	-11
Blaine County	713 Amusement, Gambling, and Recreation Industries	189	251	1.2	1.4	17,518	13,105	276	213	23	24		33
Blaine County	72 - Accommodation and Food Services	2,431	2,474	1.3	1.3	15,282	11,586	1,221	951	102	106	1	2
Blaine County	721 Accommodation	1,155	1,155	1.1	1.1	18,579	13,930	213	162	18	18	-2	
Blaine County	722 Food Services and Drinking Places	1,277	1,319	1.4	1.4	12,300	9,533	1,008	789	84	88	4	3
Camas County	71 - Arts, Entertainment, and Recreation	12	18	3	2.3	7,431	5,792	15	18	1	2	1	45
Camas County	711 Performing Arts, Spectator Sports, and Related Industries											0	0
Camas County	712 Museums, Historical Sites, and Similar Institutions											0	0
Camas County	713 Amusement, Gambling, and Recreation Industries	12	18	3	2.3	7,431	5,792	15	18	1	2	1	45
Camas County	72 - Accommodation and Food Services	63	62	1.1	1.1	6,705	5,015	63	48	5	5	-7	
Camas County	721 Accommodation	16	14	0.6	1	9,284	7,277	12	9	1	1	3	-8
Camas County	722 Food Services and Drinking Places	47	48	1.2	1.2	5,848	4,338	51	39	4	4	-9	2
Cassia County	71 - Arts, Entertainment, and Recreation	135	109	0.8	0.6	6,834	6,019	84	81	7	9	-5	-19
Cassia County	711 Performing Arts, Spectator Sports, and Related Industries	7	5	1	1	11,393	9,706	12	9	1	1	25	-22

Appendix Table 1: Average Employment, Average Tax Rate, Average Wage, Employer Count, Employers, Employment Growth—South Central Idaho, 2001-2002 (cont.)

Region/County	Business Sector	Average Employment		Average Tax Rate		Average Wage		Employer Count		Employers		Employment Growth	
		2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Lincoln County	72 - Accommodation and Food Services	55	56	1.1	1.0	8,795	5,551	99	63	8	7	-1	3
Lincoln County	721 Accommodation											0	0
Lincoln County	722 Food Services and Drinking Places	55	56	1.1	1.0	8,795	5,551	99	63	8	7	-1	3
Minidoka County	71 - Arts, Entertainment, and Recreation	24	23	1.7	1.8	8,125	6,893	45	36	4	4	8	-7
Minidoka County	711 Performing Arts, Spectator Sports, and Related Industries	1	1	1.5	1.5	21,750	21,750	9	9	1	1	-82	
Minidoka County	712 Museums, Historical Sites, and Similar Institutions	2	2	0.4	0.4	4,051	2,997	12	9	1	1	-8	
Minidoka County	713 Amusement, Gambling, and Recreation Industries	21	20	2.45	2.65	7,775	6,532	24	18	2	2	46	-9
Minidoka County	72 - Accommodation and Food Services	457	467	0.9	0.9	9,106	6,987	375	276	31	31	-2	2
Minidoka County	721 Accommodation	140	149	0.6	0.6	11,466	8,658	36	27	3	3		6
Minidoka County	722 Food Services and Drinking Places	317	318	0.9	0.8	8,063	6,207	339	249	28	28	-3	
Twin Falls County	71 - Arts, Entertainment, and Recreation	242	257	1.4	1.5	9,454	6,515	441	318	37	35	1	6
Twin Falls County	711 Performing Arts, Spectator Sports, and Related Industries	31	48	0.9	0.9	10,927	5,273	99	75	8	8	-6	53
Twin Falls County	712 Museums, Historical Sites, and Similar Institutions											0	0
Twin Falls County	713 Amusement, Gambling, and Recreation Industries	211	209	1.58421 0526	1.71481 4815	9,237	6,797	342	243	29	27	2	-1
Twin Falls County	72 - Accommodation and Food Services	2,471	2,464	1.02622 6994	1.04294 6058	9,256	6,946	1,956	1,446	163	161	1	
Twin Falls County	721 Accommodation	286	242	1.03863 6364	0.90526 3158	10,195	8,129	264	171	22	19	-10	-16
Twin Falls County	722 Food Services and Drinking Places	2,185	2,222	1.02429 078	1.06141 1765	9,133	6,817	1,692	1,275	141	142	2	2